



UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE
United States Patent and Trademark Office
Address: COMMISSIONER FOR PATENTS
P.O. Box 1450
Alexandria, Virginia 22313-1450
www.uspto.gov

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/724,076	12/01/2003	Xin Wang	111325-347	1731

22204 7590 08/12/2004

NIXON PEABODY, LLP
401 9TH STREET, NW
SUITE 900
WASHINGTON, DC 20004-2128

EXAMINER

ABDI, KAMBIZ

ART UNIT	PAPER NUMBER
----------	--------------

3621

DATE MAILED: 08/12/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

10/724,076

Applicant(s)

WANG ET AL.

Examiner

Kambiz Abdi

Art Unit

3621

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --
Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 01 December 2003.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-49 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-49 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
 - ☐ Certified copies of the priority documents have been received in Application No. _____.
 - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- ☒ Notice of References Cited (PTO-892)
- ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- ☒ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date 8 April 2004.
- ☐ Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____.
- ☐ Notice of Informal Patent Application (PTO-152)
- ☐ Other: _____.

DETAILED ACTION

1. Claims 1-49 have been examined.
2. Amendment submitted on 1 December 2003 has been entered, the claims and specification are amended.

Claim Rejections - 35 USC § 101

3. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requires of this title.

4. Claims 1 and 28 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter. See sample analysis language below:

5. The claims 1, 28 and 47 are directed to a process that does nothing more than manipulate an abstract idea, which can be performed in a manual way. There is no practical application in the technological arts. Even though claim 47 is a "means" claim but there are not enough information in the specification to render the claim as being specifically pointing to a computer system without being able to clearly distinguish the means if the parsing, determination, and activating are manual or automated process via a computer system. Particularly by the virtue of the dependent claim 48 stating the "means for parsing, determining, and activating comprise devices of a computer system." (emphasis added). To present an item ticket (physically) and to perform a validation and interpretation of manner of use can easily be accomplished manually based on a license contract saved in a repository (filing cabinet or rolodex) within the limitations of the claims as they have been presented currently. All that is necessary to make a sequence of operational steps a statutory process within 35 U.S.C. 101 is that it be in the technological arts so as to be in consonance with the Constitutional purpose to promote the progress of "useful arts." *In re Musgrave*, 431 F.2d 882, 167 USPQ 280 (CCPA 1970).

6. Examiner is proposing to replace "item ticket" with "item ticket presented electronically" or "electronic item ticket" as well as "license" with "electronic license" or "digital license" also "parsing" with "electronically parsing". Examiner encourages the applicant to point exactly where in the specification

Art Unit: 3621

would support such amendments within the specifications if the applicant chooses to make such amendments to the claims for further clarification.

Claim Rejections - 35 USC § 112

7. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter, which the applicant regards as his invention.

8. Independent claims 1, 25, 28, and 47 recite the phrase "whereby rights to the item are granted from the grantor to the grantee *without* (emphasis added) requiring a binding contract between the grantor and the grantee;" in the context that is not clear to the examiner. There is a contradiction in the stated claim language above as it is presented in their current form as well as in view of what the specification discloses, as what constitutes the "item ticket". The specification discloses that the item ticket is a binding contract as it is redeemable for an item as it is presented, the holder has the right to access goods or services of tangible or non-tangible nature based on the agreement (See specification page7, paragraphs [0024]-[0025] and pages 10-25). In the claim it is stated that there is no need of a binding contract. Therefore, the stated limitation "without requiring a binding contract" is contradictory. Examiner has considered the above limitation of not further limiting the claim as not only it is contradictory to the first part of the claim "item ticket" a binding contract, also it would be an obvious result of an agreement between a grantor and a grantee as any agreement between to entities would be some type of a contract either be it written or oral.

9. Dependent claims 2-24, 26-27, 29-46, and 48-49 are unclear in that they depend from unclear independent claims.

Claim Rejections - 35 USC § 103

10. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said

Art Unit: 3621

subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

11. Claims 1-49 are rejected under 35 U.S.C. 103(a) as being unpatentable over U.S. Patent No. 5,311,591 to Addison M. Fischer in view of U.S. Patent No. 5,794,207 to Jay S. Walker.

12. As for claims 1, 2, 25, 28, and 47-49, Fischer teaches a computerized security method, system and device comprising:

Fischer teaches;

- an item ticket (exchangeable object) specifying an item for which said item ticket can be redeemed, said ticket having a security mechanism (encryption) incorporated therein (See Fischer figures 2, 3B and C; column 5, lines 17-26., column 6, lines 47-56., column 7, lines 47-52); and
- a license (program authorization information) associated with said item ticket, said license including usage rights granted from the grantor to the grantee specifying a manner of use for redeeming said item ticket (exchangeable object) and, said license also including means(key) for unlocking said security mechanism (See Fischer abstract, figures 1 and 3B-D, column 2, lines 3-62); and
- a repository operative to interpret said license and enforce the manner of use for redeeming the item ticket (See Fischer figures 2 and 3A-3D, column 10, lines 12-20 and 44-49),
- said license further includes conditions that must be satisfied to activate said means for unlocking (See Fischer abstract, figures 1 and 3B-D, column 2, lines 3-62, and column 11, lines 11-36).

What Fischer is not explicitly teaching an item ticket specifying an item to be redeemed for which said item ticket can be redeemed.

However, Walker teaches an enforceable property right system that has an item ticket specifying or describing an item (including ID and limitations or conditions specified by the license) for which said item ticket can be redeemed (Merriam-Webster Collegiate Dictionary 10th Edition, Re-deem; to exchange for something of value) and after certain conditions have been satisfied to activate the manner of use (See

Art Unit: 3621

Walker figures 14-17, column 8, line 42-column 9, line 16, column 10, lines 23-30, column 13, lines 53-59, column 15, lines 46-column 17, lines 7).

Also Fischer is not explicitly teaching the rights to the item are granted from the grantor to the grantee without requiring a binding contract between the grantor and the grantee;

Therefore, it would have been obvious to one having ordinary skill in the art at the time the current invention was made to combine the teachings of Fischer and Walker, as Fischer teaches licenses that control the use of a broad class of digital "exchangeable objects" (See Fischer column 7, lines 40-60), in one instance, Fischer's exchangeable object is what walker digital objects are. As Walker teaches the utility of the conditional purchase offer that can be exchange for goods and services of all kinds (See Walker column 8, lines 42-65), for the motivation of enhancing control and ease of use of exchangeable objects for accessing goods and services in a more controlled, reliable and secure manner.

13. As for claims 3 and 29, Fischer and Walker teach all the limitations of claims 1 and 28, further; Fischer does not explicitly teach said item ticket includes a description of the item.

However, Walker teaches the above limitation (See Walker column 8, lines 42-65).

Therefore, it would have been obvious to one having ordinary skill in the art at the time the current invention was made to combine the teachings of Fischer and Walker. Motivation to combine is the same as the motivation established for the independent claims above.

14. As for claims 4 and 30, Fischer and Walker teach all the limitations of claims 1 and 28, further; Fischer does not explicitly teach said item ticket includes an ID correlated to the item (See Fischer column 12, lines 42-49).

However, Walker teaches the above limitation (See Walker figures 14-17, column 8, line 42-column 9, line 16, column 10, lines 23-30, column 13, lines 53-59, column 15, lines 46-column 17, lines 7).

Therefore, it would have been obvious to one having ordinary skill in the art at the time the current invention was made to combine the teachings of Fischer and Walker. Motivation to combine is the same as the motivation established for the independent claims above.

Art Unit: 3621

15. As for claims 5 and 31, Fischer and Walker teach all the limitations of claims 1 and 28, further; Fischer does not explicitly teach said item ticket includes limitations specified by said license. However, Walker teaches the above limitation (See Walker figures 14-17, column 8, line 42-column 9, line 16, column 10, lines 23-30, column 13, lines 53-59, column 15, lines 46-column 17, lines 7). Therefore, it would have been obvious to one having ordinary skill in the art at the time the current invention was made to combine the teachings of Fischer and Walker. Motivation to combine is the same as the motivation established for the independent claims above.

16. As for claims 6 and 32, Fischer and Walker teach all the limitations of claim 5, further; Fischer does not explicitly teach said limitations are expressed as conditions. However, Walker teaches the above limitation (See Walker figures 14-17, column 8, line 42-column 9, line 16, column 10, lines 23-30, column 13, lines 53-59, column 15, lines 46-column 17, lines 7). Therefore, it would have been obvious to one having ordinary skill in the art at the time the current invention was made to combine the teachings of Fischer and Walker. Motivation to combine is the same as the motivation established for the independent claims above.

17. As for claims 7 and 33, Fischer and Walker teach all the limitations of claims 1 and 28, further; Fischer does not explicitly teach said security mechanism is encryption. However, Walker teaches the above limitation (See walker figures 14-17, column 23, lines 65-column 26, lines 53). Therefore, it would have been obvious to one having ordinary skill in the art at the time the current invention was made to combine the teachings of Fischer and Walker. Motivation to combine is the same as the motivation established for the independent claims above.

18. As for claims 8 and 34, Fischer and Walker teach all the limitations of claims 1 and 28, further; Fischer does not explicitly teach said item includes goods.

Art Unit: 3621

However, Walker teaches the above limitation (See Walker column 10, lines 17-22, column 16, lines 5-11, and column 20, lines 31-48).

Therefore, it would have been obvious to one having ordinary skill in the art at the time the current invention was made to combine the teachings of Fischer and Walker. Motivation to combine is the same as the motivation established for the independent claims above.

19. As for claims 9 and 35, Fischer and Walker teach all the limitations of claims 1 and 28, further; Fischer does not explicitly teach said item includes services.

However, Walker teaches the above limitation (See Walker column 10, lines 17-22, column 16, lines 5-11, and column 20, lines 31-48).

Therefore, it would have been obvious to one having ordinary skill in the art at the time the current invention was made to combine the teachings of Fischer and Walker. Motivation to combine is the same as the motivation established for the independent claims above.

20. As for claims 10 and 36, Fischer and Walker teach all the limitations of claims 1 and 28, further; Fischer does not explicitly teach said license includes a specification of a corresponding item ticket.

However, Walker teaches the above limitation (See Walker figures 14-17, column 8, line 42-column 9, line 16, column 10, lines 23-30, column 13, lines 53-59, column 15, lines 46-column 17, lines 7).

Therefore, it would have been obvious to one having ordinary skill in the art at the time the current invention was made to combine the teachings of Fischer and Walker. Motivation to combine is the same as the motivation established for the independent claims above.

21. As for claims 11 and 37, Fischer and Walker teach all the limitations of claims 1 and 28, further; Fischer does not explicitly teach said item is information.

However, Walker teaches the above limitation (See Walker column 10, lines 17-22, column 16, lines 5-11, and column 20, lines 31-48).

Art Unit: 3621

Therefore, it would have been obvious to one having ordinary skill in the art at the time the current invention was made to combine the teachings of Fischer and Walker. Motivation to combine is the same as the motivation established for the independent claims above.

22. As for claims 12 and 38, Fischer and Walker teach all the limitations of claims 11 and 37, further; Fischer does not explicitly teach said license further comprises usage rights specifying access to the information and conditions of the access.

However, Walker teaches the above limitation (See Walker figures 14-17, column 8, line 42-column 9, line 16, column 10, lines 23-30, column 13, lines 23-30 and 53-59, column 15, lines 46-column 17, lines 7).

Therefore, it would have been obvious to one having ordinary skill in the art at the time the current invention was made to combine the teachings of Fischer and Walker. Motivation to combine is the same as the motivation established for the independent claims above.

23. As for claims 13 and 39, Fischer and Walker teach all the limitations of claims 12 and 38, further; Fischer does not explicitly teach said conditions include a security or trust rating.

However, Walker teaches the above limitation (See Walker figures 14-17, column 30, lines 40-column 31, lines 13).

Therefore, it would have been obvious to one having ordinary skill in the art at the time the current invention was made to combine the teachings of Fischer and Walker. Motivation to combine is the same as the motivation established for the independent claims above.

24. As for claims 14 and 40, Fischer and Walker teach all the limitations of claims 1 and 28, further; Fischer does not explicitly teach said item is an online service.

However, Walker teaches the above limitation (See Walker column 10, lines 17-22, column 16, lines 5-11, and column 20, lines 31-48).

Therefore, it would have been obvious to one having ordinary skill in the art at the time the current invention was made to combine the teachings of Fischer and Walker. Motivation to combine is the same as the motivation established for the independent claims above.

Art Unit: 3621

25. As for claims 15 and 41, Fischer and Walker teach all the limitations of claims 14 and 40, further; Fischer does not explicitly teach said license further comprises usage rights specifying access to the online service and conditions of the access.

However, Walker teaches the above limitation (See Walker figures 14-17, column 8, line 42-column 9, line 16, column 10, lines 17-30, column 13, lines 53-59, column 15, lines 46-column 17, lines 7, and column 20, lines 31-48).

Therefore, it would have been obvious to one having ordinary skill in the art at the time the current invention was made to combine the teachings of Fischer and Walker. As Fischer teaches the control system of accessing items, Walker teaches the licensing and access conditions of the system for motivation of having more clear control of the item access and satisfaction of the conditions to access the items (See Walker column 10, line57-column 11, line3).

26. As for claims 16 and 42, Fischer and Walker teach all the limitations of claims 15 and 41, further; Fischer does not explicitly teach said conditions include a security or trust rating.

However, Walker teaches the above limitation (See Walker figures 14-17, column 30, lines 40-column 31, lines 13).

Therefore, it would have been obvious to one having ordinary skill in the art at the time the current invention was made to combine the teachings of Fischer and Walker. Motivation to combine is the same as the motivation established for the independent claims above.

27. As for claim 17, Fischer and Walker teach all the limitations of claim 2, further; Fischer teaches that said license also includes post-license conditions that do not need to be satisfied to activate said security mechanism and wherein said unlocking mechanism permits a specification of said item and said post-license conditions to be rendered (See Fischer abstract, figures 1 and 3B-D, column 2, lines 3-62, and column 11, lines 11-36).

28. As for claim 18, Fischer and Walker teach all the limitations of claim 2, further;

Art Unit: 3621

Fischer does not explicitly teach said license includes state variables.

However, Walker teaches the above limitation (See Walker figures 14-17, column 8, line 42-column 9, line 16, column 10, lines 23-30, column 13, lines 23-30 and 53-59, column 15, lines 46-column 17, lines 7).

Therefore, it would have been obvious to one having ordinary skill in the art at the time the current invention was made to combine the teachings of Fischer and Walker. Motivation to combine is the same as the motivation established for the independent claims above.

29. As for claim 19, Fischer and Walker teach all the limitations of claim 1, further;

Fischer does not explicitly teach said unlocking mechanism is operative to permit the item ticket to be rendered as a human readable description.

However, Walker teaches the above limitation (See Walker figures 14-17, column 17, lines 8-26, column 19, lines 1-10, and column 23, line 65-column 26, lines 53).

Therefore, it would have been obvious to one having ordinary skill in the art at the time the current invention was made to combine the teachings of Fischer and Walker. Motivation to combine is the same as the motivation established for the independent claims above.

30. As for claim 20, Fischer and Walker teach all the limitations of claim 1, further;

Fischer does not explicitly teach said unlocking mechanism is operative to permit the item ticket to be rendered as a computer readable code.

However, Walker teaches the above limitation (See Walker figures 14-17, column 17, lines 8-26, column 19, lines 1-10, and column 23, line 65-column 26, lines 53).

Therefore, it would have been obvious to one having ordinary skill in the art at the time the current invention was made to combine the teachings of Fischer and Walker. Motivation to combine is the same as the motivation established for the independent claims above.

31. As for claims 21 and 43, Fischer and Walker teach all the limitations of claims 1 and 28, further;

Art Unit: 3621

Fischer does not explicitly teach said usage rights include meta-rights which permit rights in the item to be granted to downstream parties.

However, Walker teaches the above limitation (See Walker column 10, lines 57-column 11, lines 3, column 13, lines 1-10, column 20, lines 42-67, column 22, lines 1-37, and column 30, lines 40-column 31, lines 13).

Therefore, it would have been obvious to one having ordinary skill in the art at the time the current invention was made to combine the teachings of Fischer and Walker. Motivation to combine is the same as the motivation established for the independent claims above.

32. As for claims 22 and 44, Fischer and Walker teach all the limitations of claims 1 and 28, further; Fischer does not explicitly teach the item is a financial instrument.

However, Walker teaches the above limitation (See Walker column 10, lines 17-22, column 16, lines 5-11, and column 20, lines 31-47).

Therefore, it would have been obvious to one having ordinary skill in the art at the time the current invention was made to combine the teachings of Fischer and Walker. Motivation to combine is the same as the motivation established for the independent claims above.

33. As for claims 23 and 45, Fischer and Walker teach all the limitations of claims 1 and 28, further; Fischer does not explicitly teach the item is a legal document.

However, Walker teaches the above limitation (See Walker column 5, lines 24-29, column 10, lines 17-22, and column 16, lines 5-11).

Therefore, it would have been obvious to one having ordinary skill in the art at the time the current invention was made to combine the teachings of Fischer and Walker. Motivation to combine is the same as the motivation established for the independent claims above.

34. As for claims 24 and 46, Fischer and Walker teach all the limitations of claims 1 and 28, further; Fischer does not explicitly teach the item is real estate.

Art Unit: 3621

However, Walker teaches the above limitation (See Walker column 5, lines 7-15 column 10, lines 17-22, column 16, lines 5-11, and column 20, lines 31-47).

Therefore, it would have been obvious to one having ordinary skill in the art at the time the current invention was made to combine the teachings of Fischer and Walker. Motivation to combine is the same as the motivation established for the independent claims above.

35. As for claim 26, Fischer and Walker teach all the limitations of claim 25, further; Fischer does not explicitly teach said security component comprises a client component in a user device and an activation device for providing at least a portion of said client component.

However, Walker teaches the above limitation (See Walker column 23, lines 65-column 26, lines 53).

Therefore, it would have been obvious to one having ordinary skill in the art at the time the current invention was made to combine the teachings of Fischer and Walker. Motivation to combine is the same as the motivation established for the independent claims above.

36. As for claim 27, Fischer and Walker teach all the limitations of claim 26, further;

Fischer does not explicitly teach a vendor device for permitting a user to select an item and usage rights to be incorporated into said license generated by said license device.

However, Walker teaches the above limitation (See Walker column 23, lines 65-column 26, lines 53).

Therefore, it would have been obvious to one having ordinary skill in the art at the time the current invention was made to combine the teachings of Fischer and Walker. Motivation to combine is the same as the motivation established for the independent claims above.

Conclusion

37. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Kambiz Abdi whose telephone number is (703) 305-3364. The examiner can normally be reached on 9 AM to 5:00 PM.

Art Unit: 3621

38. If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, James P Trammell can be reached on (703) 305-9768. The fax phone number for the organization where this application or proceeding is assigned is 703-872-9306.

39. Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

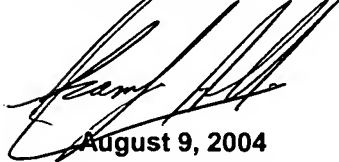
Any response to this action should be mailed to:

**Commissioner of Patents and Trademarks
Washington D.C. 20231**

Hand delivered responses should be brought to:

**Crystal Park 5, 2451 Crystal Drive
7th floor receptionist, Arlington, VA, 22202**

Kambiz Abdi

A handwritten signature in black ink, appearing to read 'Kambiz Abdi', written over the printed name and date.

August 9, 2004